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EXAMINER

BAIRD, EDWARD J

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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/747,612	Applicant(s) MCCOPPIN ET AL.	
	Examiner Ed Baird	Art Unit 3695	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 01 December 2009.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-25 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-25 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Status of Claims

1. Applicant has amended claims 1, 13 and 25. No claims have been added or canceled. Thus, claims 1-25 remain pending in this application.

Acknowledgements

2. Examiner acknowledges *informality* in last office action of not noting claim 25 rejected under 35 U.S.C. 103(a) as being unpatentable over **Lawrence** (US Pub. No. 2003/0233319) in view of **Barbara et al** (US Pub. No. 2003/0105710) in *paragraph 8* of prior office action. Examiner *clearly* had rejected claim 25 in *paragraph 20* (emphasis added) of prior office action being substantially similar to claim 1 and 13 and **Lawrence** and **Barbara** also teaching additional limitations.

Response to Arguments

3. Applicant's arguments and amendments filed on **01 December 2009** with respect to have been fully considered.
4. Examiner acknowledges amendments to claim 25 to overcome 35 U.S.C. § 112, 2nd paragraph rejection and, in turn, withdraws rejection. However, amended claim language gives rise to new § 112, 2nd paragraph rejections. See rejection below.
5. Applicant's arguments filed with respect to **claims 1-25** regarding the 35 U.S.C. § 103(a) rejections have been fully considered but they are not persuasive.
6. In response to applicant's argument that there is no suggestion to combine the references [Remarks page 5, top of page], the Examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed

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invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988) and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992). In this case, both **Lawrence** and **Barbara** involve funds transfer and accordingly would be obvious to combine.

7. Applicant argues **Barbara** does not teach *guaranteed, final and irrevocable self-funding of the transaction to the Receiver Financial Institution that prevents any deficiencies in the self-funding*, as claimed in claims 1 and 13 [Remarks page 12, top of page, *inter alia*]. However, Examiner respectfully disagrees.

Barbara clearly states “the customer can use the transaction account to transfer funds, for example, via selection of a self-fund mechanism” [0031]. The phrase “*that prevents any deficiencies in the self-funding*” is merely a further definition of guaranteed and is not adding any substantial subject matter.

In light of *guaranteeing, final and irrevocable self-funding of the transaction*, Examiner fails to find issues of irrevocability in the Applicant's specification particularly in [0042] as argued by the Applicant [Remarks page 12, last paragraph and page 13, 2nd paragraph].

8. Applicant argues “guaranteed funding” *requires the parties to honor the transaction and to clear any funds required by the funds transfer within a certain time frame* [Remarks 14, 2nd full paragraph]. However, examiner notes that this terminology is not in the claim language.

9. Hence, Examiner maintains § 103(a) rejections.

Claim Rejections - 35 USC § 112

10. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to

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which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

11. Claims 1-25 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention.

12. Regarding **claims 1, 13 and 25**, Applicant uses the phrase “final and irrevocable self-funding”. Examiner fails to find this terminology or subject matter in the Applicant’s specification.

13. **Claims 2-12 and 14-24** are rejected by way of dependency on a rejected independent claim.

14. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

15. Claim 1-25 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

16. Regarding **claims 1, 13 and 25**, the phrase “that prevents any deficiencies in the self-funding” is vague and indefinite. Examiner does not understand what the deficiencies in the self-funding are, or how to prevent them. Examiner interprets “preventing any deficiencies in the self-funding” is merely a further definition of the word *guaranteed* and is not adding any substantial subject matter

For purposes of examination, the phrase “that prevents any deficiencies in the self-funding” will be interpreted as not further limiting. Appropriate correction is required.

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17. **Claims 2-12 and 14-24** are rejected by way of dependency on a rejected independent claim.

18. Regarding **claim 25**, the phrase “ending processing of the funds transfer instructions” in limitations (c) and (d) is vague and indefinite. If the funds transfer instructions stop, limitations (e) and (f) cannot be performed even though limitations (e) and (f) are claimed to be performed “after steps (c) and (d) have been carried out”.

For purpose of examination, the phrase “ending processing of the funds transfer instructions” in both (c) and (d) will be interpreted as “ending processing of the funds transfer”. The phrase “after steps (c) and (d) have been carried out” will be interpreted to read “if government and data requirements are met”. Appropriate correction is required.

Claim Rejections - 35 USC § 103

19. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

20. Claims 1 – 3, 5 – 15, and 17 – 24 are rejected under 35 U.S.C. 103(a) as being unpatentable over **Lawrence** (US Pub. No. 2003/0233319) in view of **Barbara et al** (US Pub. No. 2003/0105710).

21. Regarding **claims 1 and 13**, **Lawrence** teaches:

- receiving, **in a computer processor**, at a Receiver Financial Institution, financial transaction payment instructions from a Client Bank **over a computer network** [see at least 0065 and Figure 2] in a format associated with a settlement funds transfer system used for funding domestic credit transfer transactions and that provides a *guarantee of*

funding of the transaction [see at least Abstract, 0022 – 0024, and Figure 1]. Examiner interprets financial institution as including Applicant's Client Bank and Receiver Financial Institution. Examiner notes that these financial institutions include "*any insured bank*"; thus "*any insured bank*" is indicative of Applicant's **guaranteeing transactions**.

- analyzing **by the computer processor**, the received financial transaction payment instructions [see at least 0030, 0032 and 0057]. Examiner interprets a *risk management clearing house (RMC)* which "gathers data . . . and relates the data to risk variables for the purpose of managing risk associated with a risk variable" as analogous to Applicant's analyzing **payment instructions**.

- generating **in a computer processor**, foreign financial transaction payment instructions for at least one financial institution located in a foreign country, **and transmitting the payment instructions over the computer network** [see at least 0078 and Figure 5],

the foreign financial transaction payment instructions including data in a funds transfer messaging service format that is compatible with both the Receiver Financial Institution and the at least one financial institution [see at least 0031 and 0033]. Examiner notes that *financial institutions* [0024] include foreign banks and foreign financial agencies.

Lawrence does not explicitly disclose:

- providing guaranteed *final and irrevocable* [sic] **self-funding** of the transaction to the Receiver Financial Institution *that prevents any deficiencies in the self-funding* [sic], and
- guaranteed, self-funding of the transaction comprises both the Receiver Financial Institution and the Client Bank being members of the settlement funds transfer system, wherein said members are required to settle transactions initiated using the

system daily. and wherein any deficiencies in funding amounts are prevented by guarantee procedures of a central banking authority that controls the settlement funds transfer system.

However, **Barbara** teaches a method and system for on-line payments which enables the making of payments using any of a credit card or a checking account or savings account to facilitate an on-line transaction [0006]. She further discloses *funds transfer capability* which allows a customer at a terminal to use the customer's transaction account to transfer funds, for example, between *eligible accounts* [0031]. In addition, the customer can use the transaction account to transfer funds, for example, via selection of a *self-fund mechanism* which will provided an instant availability of funds [Id.]. This also enables the customer to move money from the customer's checking account in one bank to the customer's checking account *in a different bank* [0139]. In turn, the customer can use one account as collateral to ensure there are funds available in another account [Id.]. Examiner notes that this *self-funding mechanism* is analogous to Applicant's **self-funding of the transaction** in that different accounts in different banks are used as back-up to ensure an available of funds.

Therefore, it would have been obvious to one having ordinary skill in the art at the time of the instant invention to modify **Lawrence's** disclosure to include *a self-funding mechanism* as taught by **Barbara** because a user can use one account as collateral to ensure that there are funds available in another account even when the accounts are in different banks [**Barbara** 0031 and 0139].

22. Regarding **claims 2 and 14**, **Lawrence** teaches:

- wherein the settlement funds transfer system comprises a U.S. Federal Reserve Bank funds transfer system that carries out domestic funds transfers [see at least 0029],

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- wherein the financial transaction payment instructions cause both an automatic credit and an automatic debit of associated accounts to be made upon receipt [see at least 0041 and 0042].
23. Regarding **claims 3 and 15, Lawrence** teaches:
- wherein the funds transfer messaging service format that is compatible with both the Receiver Financial Institution and the at least one financial institution is compatible with a world-wide financial messaging network **interfaced with the computer network** comprising standardized messaging services and interface software **running in a computer processor that initiates** international payments [see at least 0002, 0023, and 0029]. Examiner notes that SWIFT (“Society for Worldwide Interbank Financial Telecommunication”) is an example of Applicant’s **world-wide financial messaging network**.
24. Regarding **claims 5 and 17, Lawrence** teaches the Client Bank as a domestic bank [0024].
25. Regarding **claims 6 and 18, Lawrence** teaches the financial transaction is self funding [see at least 0023 and 0024].
26. Regarding **claims 7 and 19, Lawrence** teaches:
- the financial transaction payment instructions are received via **a network** interface with the settlement funds transfer system, said **network** interface being configured to provide access to a U.S. Federal Reserve Bank funds transfer system useful for carrying out domestic funds transfers [see at least 0024].
27. Regarding **claims 8 and 20, Lawrence** teaches:
- transmitting the foreign financial transaction payment instructions to the at least one financial institution [see at least 0024].

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28. Regarding **claims 9 and 21**, **Lawrence** teaches:

- the at least one financial institution includes a branch of the Receiver Financial Institution that generated and transmitted the foreign financial transaction payment instructions [see at least 0026 and 0027].

29. Regarding **claims 10 and 22**, **Lawrence** teaches:

- the at least one financial institution includes a member of a non-Federal Reserve Bank electronic payments system [see at least 0024].

30. Regarding **claims 11 and 23**, **Lawrence** teaches:

- the at least one financial institution includes a member of a U.S. Federal Reserve Bank funds transfer system **that carries** out domestic funds transfers [see at least 0023],
- wherein the financial transaction payment instructions cause both an automatic credit and an automatic debit of associated accounts to be made upon receipt thereof receipt [see at least 0041 and 0042].

31. Regarding **claims 12 and 24**, **Lawrence** teaches:

- the at least one financial institution includes a correspondent bank that is connected to the Receiver Financial Institution that generated and transmitted the foreign financial transaction payment instructions via a world-wide financial messaging network [see at least 0023 and 0029]
- **the world-wide financial messaging network** comprises standardized messaging services and interface software (running in at least one processor that initiates—claim 24) **used to initiate** international payments [see at least 0067 – 0069],
- the correspondent bank handling business in a particular geographic area [see at least 0002, 0051 and 0059].

32. Claims 4 and 16 are rejected under 35 U.S.C. 103(a) as being unpatentable over **Lawrence** in view of **Barbara** and in further view of **SWIFT.com** (“MT 103 migration – a success for the whole community”, home page stories archive 2003, posted 11/21/2003).

33. Regarding **claims 4 and 16**, **Lawrence** and **Barbara** teaches all the items of claims 2 and 14, the claims upon which these claims depend, respectively, but do not teach foreign financial transaction payment instructions which comply with SWIFT MT 103 specifications (i.e. messaging standards).

However, **SWIFT.com** teaches about foreign financial transaction payment instructions which comply with SWIFT MT 103 messaging standards. **SWIFT.com** discloses “The weekend of 15-16 November saw two significant events in SWIFT’s history. The first was the removal of the MT 100, SWIFT’s most-used message, from the network. To enable this to happen, migration to the MT 103 needed a successful completion and this was achieved with a 98% migration rate on the last working day before the deadline”, [2nd paragraph].

Therefore, it would have been obvious to a person having an ordinary skill in the art at the time of the instant invention to modify **Lawrence’s** disclosure to include *SWIFT MT 103 specifications* as disclosed by **SWIFT.com** because its use would increase certainty, transparency, and automation (STP) of customer transfers as well as reduced cost, reduced risk, and conform to worldwide regulatory requirements.

34. Claim 25 is rejected under 35 U.S.C. 103(a) as being unpatentable over **Lawrence** in view of **Barbara** in further view of **Official Notice**.

35. **Claim 25** is substantially similar to claims 1 and 13 with added limitations. **Lawrence** also teaches:

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- ensuring compliance of the funds transfer instructions with one or more government requirements [see at least 0026 and 0050]. Examiner interprets *regulatory requirements* as analogous to Applicant's **government requirements**.
- if the funds transfer instructions are compliant with the one or more government requirements [0050], ensuring, via the computer system, that any required data fields in the funds transfer instructions meet all data requirements of the settlement funds transfer system [see at least 0026 and 0030].

Lawrence does not explicitly disclose:

- if the funds transfer instructions meet said data requirements, crediting an account of the client bank established for foreign payments with an amount associated with the funds transfer instructions:

However, **Barbara** teaches crediting an account of the client bank to a foreign bank with the funds transfer instructions [see at least 0093 and 0139].

Therefore, it would have been obvious to one having ordinary skill in the art at the time of the instant invention to modify **Lawrence's** disclosure to include *crediting an account of the client bank to a foreign bank* as taught by **Barbara** because a customer can use the system to make person-to-person payments to other recipients in different countries [**Barbara** 0093].

Neither **Lawrence** nor **Barbara** explicitly discloses:

- ending processing of the funds transfer *instructions* [sic] when funds transfer instructions are not compliant with government requirements, and
- ending processing of the funds transfer *instructions* [sic] and generating an error message if data requirements are not met.

However, Examiner takes **Official Notice** that one having ordinary skill in that art at the time of the instant invention would *end processing a funds transfer when funds transfer*

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instructions are not compliant with government because otherwise the transfer would be in violation of government requirements.

Examiner takes **Official Notice** that one having ordinary skill in that art at the time of the instant invention would *end processing a funds transfer and generate an error message when data requirements are not met* because the transfer process can not be performed properly.

Conclusion

36. The prior art of record and not relied upon is considered pertinent to Applicant's disclosure:

- **Adams**: "Favored client advance with audit protection method", (US Pub. 2003/0167225).
- **Bouricius**: "Method and apparatus for secure message transmission for use in electronic funds transfer systems", (US Patent No. 4,302,810).

37. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event,

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however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Ed Baird whose telephone number is (571)270-3330. The examiner can normally be reached on Monday - Thursday 7:30 am - 5:00 pm Eastern Time.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Charles R. Kyle can be reached on 571-272-6746. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Ed Baird/
Examiner, Art Unit 3695

/Narayanswamy Subramanian/
Primary Examiner, Art Unit 3695